

Daily Matters

November 28, 2012

MARKET INDICATORS

As of November 27, 2012

Index/ Bond	Index Level/Yield	DoD Change	DoD % Change
PSEi	5,586.45	7.03	0.13%
Dow Jones	12,878.13	-89.24	-0.69%
S&P 500	1,398.94	-7.35	-0.52%
NASDAQ	2,967.79	-8.99	-0.30%
MSCI Asia ex-Japan	524.22	2.37	0.45%
MSCI Emerging Market	996.44	1.34	0.13%
5 Yr FXTN	3.85	18 bps	
10 Yr US Treasury	1.64	-3 bps	
USD/PHP	40.84	-0.16	-0.40%

Source: Bloomberg

NEWS IN THE PHILIPPINES

Tourism Income Rises in 2011

- National Statistical Coordination Board (NSCB): More arrivals and renewed confidence on the economy pushed income from tourism-related activities higher in 2011. Income rose 10.2% to P571.3 billion from 2010's levels, making the industry to account for 5.9% of the country's 2011 gross domestic product (GDP). Shopping contributed the most among tourism-related activities with a 22.9% share followed by accommodation, and entertainment and recreation with shares of 11.2% and 6.8%, respectively.

Local Bond Market

- The yield of the benchmark 5-year bond rose 18 bps to 3.85%.
- Yields of benchmark bonds were generally lower on Tuesday, save the 10-year issue which closed unchanged and the 2, 5, and 7-year issues which rose.

Philippine Stocks

- Local stocks inched higher on Tuesday on increased risk appetite after officials in the Eurozone agreed on a debt restructuring deal for Greece. The Philippine Stock Exchange index (PSEi) rose 0.13% or 7.03 points to close at 5,586.45.

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Philippine Peso

- Optimism on a bailout plan for Greece encouraged risk-taking, driving the peso to breach through the 41 level against the US dollar on Tuesday. The peso closed 16 centavos lower at 40.84. The peso is one of the best-performing Asian currencies and has appreciated 6.77% so far this year.

NEWS AROUND THE WORLD

EU Grants Greece Easier Debt Terms; Home Prices in 20 US Cities Rose in September

- European finance ministers granted Greece with easier debt terms to aid the debt-stricken country tackle years of recession and record unemployment. The agreement would reduce the interest rates on bailout loans, suspend interest payments for 10 years, allow a longer time for repayment, and engineer a Greek bond buyback plan. Greece will also be receiving a \$44.7 billion loan installment in December.
- Home prices in the 20 US cities monitored by the S&P/Case-Shiller index of property values rose 3% in the year to September, the most since July 2010, after rising 2% in the year to August. An improving labor market and record-low mortgage rates continue to fuel demand for properties.

US Stock Market

- US stocks fell on Tuesday as comments by a US senate official indicated that little progress has been made in Congress to address the fiscal issue by year end. (Dow Jones -0.69% 12,878.13; NASDAQ -0.30% 2,967.79; S&P 500 -0.52% 1,398.94)

Asian Stocks

- Asian markets were mostly higher on Tuesday as investors cheered an agreement over a loan package for debt-burdened Greece. The MSCI Asia ex-Japan Index rose 0.45% or 2.37 points to close at 524.22.
- Markets in Tokyo, Seoul, and Sydney rose while those in Hong Kong and Shanghai fell.

Emerging Markets

- Emerging-market stocks rose on Tuesday, pushing the index to a three-week high, as appetite for riskier assets was boosted by an agreement on emergency aid for Greece. The MSCI Emerging Markets Index rose 0.13% or 1.34 points to close at 996.44.

Sources: Bloomberg, Briefing.com, Business World, CNN, Inquirer, PhilStar, Reuters, WSJ

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